

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

)
IN THE MATTER OF: ALLODIAL INVESTMENTS, INC., IT'S)
OFFICERS , AND DIRECTORS, AGENTS, EMPLOYEES,)
AFFILIATES, SUCCESSORS AND ASSIGNS, AND ART)
A. SEGURA II, IT'S PRESIDENT, INDIVIDUALLY)
_____)

FILE NO. 0900519

ORDER OF PROHIBITION

TO RESPONDENTS:

Allodial Investments, Inc.
c/o Deanna S. Ryan, R. A.
1030 West Wrightwood, Suite H
Chicago, Illinois 60014

Allodial Investments, Inc
4507 North Kedzie, Suite 201
Chicago, Illinois 60025

Art A. Segura II, President
c/o Allodial Investments, Inc.
4507 North Kedzie, Suite 201
Chicago, Illinois 60025

Mr. Art A. Segura II
P.O. box 444
Brookfield, Illinois 60513

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on February 16, 2010, temporarily prohibiting Respondents from offering or selling securities in the State of Illinois until further order from the Secretary of State.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of a Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final.

WHEREAS, Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order.

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WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Final Findings of Fact as follows:

- 1 That Respondent Allodial Investments, Inc., an Illinois Corporation ("Allodial"), maintained a business address at 4507 North Kedzie, Suite 201, Chicago, Illinois 60025
2. That Respondent Art A. Segura II, an individual, ("Segura"), collectively with Respondent Allodial, (Respondents") maintained a business address at P.O. Box 444, Brookfield, Illinois 60513.
3. That on or about July 19, 2008, or thereabouts, Segura a representative of Respondents approached an Illinois resident ("Investor") and pursued a relationship with him for the purpose of selling the Investor a \$68,000 00 promissory note ("Note") issued by Allodial.
4. Segura told the Investor that Allodial would then purchase property and remodel it, and then sell it for a profit.
- 5 That in exchange for the \$68,000 00, Segura offered the investor the principal back plus interest of nine per cent per annum, plus ten per cent of Allodial's gross profit in four months.
6. That subsequent to the foregoing solicitation, on September 2, 2008 the Investor purchased the Note printed on an Allodial, form, dated October 30, 2008, for \$40,000 from Segura with a return of nine per cent (9%) per annum compounded quarterly, payable in four months, plus ten percent of Allodial's gross profit along with repayment of the principal.
7. That the activities described in paragraphs 3 through 6 above constitute the offer and sale of a Note and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 8 That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
9. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 10 That Section 12 A of the Act provides, inter alia, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.

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11. That Section 12.D of the Act provides, inter alia, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Temporary Order as the Secretary of State's Conclusion of Law as follows.

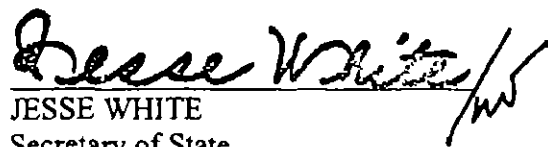
Respondents violated Sections 12 A. and 12.D. of the Act

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11 F of the Act, Respondents ALLODIAL INVESTMENTS, INC., IT'S OFFICERS, AND DIRECTORS, AGENTS, EMPLOYEES, AFFILIATES, SUCCESSORS AND ASSIGNS, AND ART A SEGURA II, IT'S PRESIDENT, INDIVIDUALLY, its Officers, Directors, Employees, Affiliates, Successors, Agents Partners and Assigns, are hereby **PROHIBITED** from offering or selling any securities within the State of Illinois.

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Illinois Securities Act (14 Ill Admin. Code, Ch. I, Sec 130.1123) Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

ENTERED. This 31st day of March, 2010.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State.
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